

THE NORDIC COUNCIL'S NORDIC SWAN LABEL

Introduction

In 1989, the Nordic Council of Ministers introduced a voluntary and neutral seal-of-approval certification program known as the Nordic Swan. Currently, Norway, Sweden, Finland, Iceland, and Denmark are participating in the program. The program was introduced in an attempt to unify the emerging ecolabeling programs that were appearing throughout the Nordic countries. The Nordic program is noteworthy because of its novel administrative structure. The Nordic Ecolabelling Board acts under the Nordic Council of Ministers and makes final program-related decisions. The participating national organizations propose new product categories, assist the Board in establishing award criteria, grant licenses, and market the program.

The Nordic environmental label is an “independent label which guarantees a certain environmental standard. Only products which satisfy strict environmental requirements on the basis of objective assessments will be allowed to display the environmental label.” The label is intended to provide consumers with guidance in choosing products least hazardous to the environment, to stimulate manufacturers to develop products and processes that are better for the environment, and to use market forces as a complement to environmental legislation.

A self-assessment of the program found that the “Nordic Eco-Labelling system - the ‘Swan’ symbol - is a fairly successful one, commanding a high level of respect among consumers and producers.” A consumer survey conducted in December 1996 found that 80 percent of Norwegian customers knew that the Swan was the official environmental label, and 79 percent said that they prefer products labeled with the Swan. The widespread use of the Swan label on the most common cleaning products has contributed to the label’s visibility.

As of July 1997, criteria for 42 product categories had been established, proposed criteria had been sent out for review for four product categories, criteria were under development for eight, and preliminary studies were being conducted for another four. Licenses have been awarded to over 350 companies, and over 1,200 products currently carry the Nordic Swan logo. Of the licenses awarded, roughly 20 percent are from non-Nordic countries. Most of the foreign products carrying the Swan label are paper products; however, computers and photocopiers also carry the label. The number of products to which the Nordic Swan has been awarded has steadily increased over time, although when the paper criteria were made stricter in mid-1997, over 100 product licenses were withdrawn. Given that the new criteria were available six months prior to the change, about half the companies had already reapplied and re-qualified for the Swan logo.

Recent Developments

The most important change in the Nordic Swan program is the recent addition of Denmark. Denmark has been a member of the Nordic Council since its foundation in the 1950s; however, when the Nordic Council established the Swan program Denmark was the only Nordic member of

the EU. Rather than adopting the Swan program, it chose to act as an observer and joined the newly formed EU ecolabel program instead. Because the development of the EU ecolabel program has not progressed as was anticipated, the Danish parliament decided to join the Nordic Swan program in 1997.

Another recent development is the thorough evaluation of the ecolabeling system ordered by the Nordic Council of Ministers in 1994. The results of the evaluation pointed out several inherent conflicts within the Nordic Council's system, and proposed specific changes with which to make improvements. These proposed changes included: 1) defining environmental objectives more clearly, 2) reinforcing activities at the Nordic level, and 3) improving the ability of central management to control the program's objectives.

Program Summary

The Nordic Swan program is administered in Norway, Sweden, Finland, Iceland, and Denmark by national boards, coordinated by the Nordic Ecolabelling Board, which in turn acts under the authority of the Nordic Council of Ministers. The program's agency in Norway is administered as a foundation, while the Swedish, Finnish, and Danish agencies are incorporated into their national standardization organizations. The program in Iceland is housed in the Ministry of Environment. The five programs are very similar to ensure smooth operation and mutual recognition of activities among participating countries. Fees, structures, and processes are quite similar among the programs.

The national Nordic ecolabeling organizations propose product groups, and, according to the General Agreement for Nordic Eco-labelling, a pilot study is conducted to assess "the 1) qualitative and quantitative environmental problems associated with the product, 2) scope available for environmental improvements, 3) information needed by consumers, 4) requirements of commerce and industry for ecolabelling in the field, 5) expected costs of the development of criteria, and 6) product and market analyses for the Nordic market." The Nordic Ecolabelling Board makes the final decision on the selection of product groups, and determines which country will take the lead in developing the criteria.

The Ecolabelling Board usually appoints an expert group to work in an advisory capacity with the national organizations to develop the product criteria. The expert group is made up of representatives from the particular industry and consumer and environmental organizations and includes representatives from each of the Nordic countries. Once developed into a draft, the criteria are sent out for review in the Nordic countries. According to "Guidelines for Nordic Ecolabelling," "Information concerning criteria established, ... the composition of expert groups, and the state of progress of current work shall be open to the public.... The widest possible circle of interested parties should be heard in connection with all draft criteria." The criteria are to take into account environmental factors throughout the product's life, although the program considers it impossible to evaluate the total influence of a product on the environment. In addition to environmental criteria, the Swan also has a general regulation stating that manufacturers must

comply with domestic labor regulations, as well as quality and performance requirements.

The environmental protection requirements are set such that the market share of products that meet the criteria should not exceed one third of the total Nordic market. In the past, however, there have been situations that made this goal difficult to reach. At one point, the trade association of tissue paper manufacturers boycotted the Swan, and none of their members companies applied for it, even though they marketed their products' environmental qualities. Little was done on the part of the Swan program to negotiate, although the story of the boycott was in the press, and after about a year, the boycott was broken by one of the member companies.

The final set of criteria is either accepted or rejected by the Ecolabelling Board, and all decisions must be unanimous. Approved criteria are widely available in English, and are available electronically on the countries' Web sites. Once approved by the Board, a product category and its criteria are valid in all of the Nordic Council countries. Product criteria are usually valid for three years, at which point they are reviewed, taking into consideration changes in production technology and new knowledge about material inputs. The Board has the ability to cancel or modify the criteria during this period if new information is discovered.

To receive the Nordic Swan, manufacturers from within a Nordic Council country send an application to the program agency in his/her own country. Foreign manufacturers seeking an award apply to the country that developed the product category. Claims made by manufacturers are tested in independent laboratories, and manufacturers are required to perform and report the results of tests to ensure that all other requirements in the criteria are met for all labeled products. It is uncommon for products to fail because manufacturers have access to the criteria before they submit their application. Once an award has been made to a product by one country, the license to use the label is valid in any of the other participating countries, although manufacturers must pay an additional fee in each country to register their product. Follow-up inspections of products and processes are conducted to verify compliance with the award criteria. All documents submitted by the manufacturer are confidential.

Applicants for the Nordic Swan are required to pay a one-time application fee, between approximately US\$375-1,500, depending on the country. If the application is granted, licensees also must pay an annual fee in each country where the label is used. The annual fee is .04 percent of the applicant's annual sales in each country where the product is registered, with a minimum of approximately US\$750-1,400, and a maximum of approximately US\$5,500-45,000. The Nordic Swan's sliding fee scale is designed to be accessible to small and medium-sized businesses; several companies participating have five or fewer employees. Approximately half of the program's funding comes from these fees, and approximately half comes from the participants' federal governments.

Products bearing the Swan logo are also purchased at both the corporate and government level. Many companies and national and local governments have a purchasing policy requiring that products they purchase are labeled with the Swan or its equivalent.

Program Methodology

For each set of labeling criteria, a report is produced that contains a discussion of the significant environmental impacts throughout the product life cycle and a discussion of the criteria themselves. The lead country for the labeling criteria may contract the evaluation of the environmental impacts to a consultant or academic expert. As a result of the evaluation of the Nordic program and the recommendations by the Nordic Council of Ministers, there is now more effort to include each of the participating countries in the development of criteria. There is also more effort, such as through the use of written product category environmental evaluations and draft criteria, to increase transparency and participation by other stakeholders in the process.

For example, for the criteria for furniture, the report discussed each of the major components of furniture (wood, fiberboard, metal, plastic, glazing), the manufacturing of furniture, including the use of adhesives and coatings, and the associated environmental impacts of each life cycle stage.

Following are the types of criteria for labeling of furniture products that were developed to address the significant environmental impacts:

Wood: The criteria require the applicant to state the type of wood used and its place of origin. This requirement will lead to criteria for sustainable forestry, which will be developed in the future.

Fiberboard: Wood-based board must satisfy the Nordic criteria for environmental labeling of fiberboard panels, which primarily deal with formaldehyde emissions.

Plastic: Additives to plastic materials shall not be based on cadmium, lead, mercury or other materials on a restricted list.

Metals: Halogenated organic solvents shall not be used in the processing or surface treatment of metals. Metals, with the exception of smaller parts as screws, hinges and mountings, shall not be plated with cadmium, nickel, chrome, and their compounds. Metal paint shall not contain pigments and additives based on certain heavy metals or contain high solvent content.

Glass: Lead glazing is not permitted.

Adhesives/coatings: The criteria prohibit adhesives or coatings that require health warnings in any Nordic country because they are classified as allergenic, toxic, carcinogenic, mutagenic or damaging to reproduction. There are also restrictions on free formaldehyde content and on other listed hazardous substances.

Other Information

The Nordic Ecolabelling Board is a member of GEN and most of the Nordic countries are participating with the development of ISO draft standards. Through its work with GEN and ISO, the Board hopes to increase the coordination with other ecolabeling programs.

The Board is also working with the EU to further develop the EU ecolabel scheme. According to Norway's information officer, it is Norway's official policy that they will "give up the Swan label if and when the EU ecolabel is able to replace it." The EU ecolabel will be considered a success when 80 percent of the public prefer EU labeled products over Swan labeled products; products in "central" categories like paper and detergents carry the EU ecolabel; and manufacturers apply for the EU ecolabel more than for the Swan. Norway's information officer does not foresee a difficult transition from the Swan to the EU if it is based on the aforementioned market pressures. The information officer also reports that the EU also believes that national and regional labels should be phased out over the next five years. This non-market based transition could be more problematic, especially depending on the relative strength of the EU ecolabel program at that time.

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Product Categories (number of awarded products in parentheses)

Final Categories

Adhesives (3)

All purpose cleaners (24)

Automatic dishwashing detergents (10)

Building materials: chipboard fibre board and gypsum board (8)

Batteries, Primary (5)

Batteries, Rechargeable (6)

Car care products (57)

Chain lubricants (1)

Chemical deicers

Closed toilet systems (1)

Coffee filters

Composters (12)
 Copying machines (3)
 Correction fluids
 Detergents for sanitary facilities (12)
 Diapers/nappies (6)
 Diapers Textile
 Dishwashing machines
 Dust binding agents
 Female sanitary products
 Flooring materials (7)
 Floor care products
 Graphic products
 Grease proof paper
 Hand dishwashing detergents (4)
 Tissue paper (2)
 Lawnmowers (9)
 Light sources
 Marine engines
 Newsprint paper
 Oil burners & oilburner/boiler combinations (5)
 Paper envelopes (12)
 Personal computers (2)
 Printed papers (50)
 Printing papers (46)
 Printers & Telefaxes
 Refrigerators, freezers
 Shampoo & Soap (2)
 System for towels in dispensers (1)
 Textile detergents (33)
 Textiles (4)
 Tissue paper (2)
 Toner cartridges (14)
 Wallcoverings
 Washing machines (1)
 Wooden furniture and fitments (6)
 Writing instruments (1)

Criteria Under Review

Dustbinning agents for roads
 Folders and ring binders (Fin)
 Packaging paper (Sw)
 Windows (Fin)
 Forestry, sawmill products (Sw)

Criteria Under Development

- Audiovisual equipment
- Boats (Fin)
- Boat care products
- Concrete (Sw)
- Industrial degreasing (Sw)
- Heating systems for solid fuels (Sw)
- Refrigerating and heat pump plants (Sw)
- Tires (Fin)
- Water and sewage pipes (Sw)
- Water taps with fittings
- Wood fired furnaces (Sw)

Preliminary Studies

- Sealing agents
- Services (Sw)
- Telephones (Fin)